



NUCLEAR REGULATORY COMMISSION

In the Matter of)	
)	
FLORIDA POWER CORPORATION,)	
ET AL)	
)	
Crystal River Unit 3)	License No. DPR-72
Nuclear Generating Plant)	Docket No. 50-302

[NRC-2011-0281]

ORDER APPROVING INDIRECT TRANSFER OF CONTROL OF LICENSE

I.

Florida Power Corporation (FPC, the licensee) and nine other entities are the owners of Crystal River Unit 3 Nuclear Generating Plant (Crystal River), Facility Operating License No. DPR-72.

The ownership interest in Crystal River is held by ten owners in the following percentages:

Florida Power Corporation	91.78%
City of Alachua, Florida	0.08%
City of Bushnell, Florida	0.04%
City of Gainesville, Florida	1.41%
Kissimmee Utility Authority	0.68%
City of Leesburg, Florida	0.82%
Utilities Commission of the City of New Smyrna Beach	0.56%
City of Ocala, Florida	1.33%
Orlando Utilities Commission	1.60%
Seminole Electric Cooperative, Inc.	1.70%

With respect to their ownership, they are co-holders of the Crystal River facility. The Crystal River facility consists of a single unit, Babcock and Wilcox two-loop pressurized water reactor located in Citrus County, Florida. The operating license authorized FPC to possess, use and operate the Crystal River facility.

II.

By application dated March 30, 2011 (Agencywide Documents Access and Management System (ADAMS) Accession No. ML11110A031), as supplemented by letter dated

September 2, 2011 (ADAMS Accession No. ML11255A129) (collectively hereinafter referred to as the application), the licensee requested, pursuant to Section 184 of the Atomic Energy Act of 1954, as amended, and Section 50.80 of Title 10 of the *Code of Federal Regulations* (10 CFR), that the Nuclear Regulatory Commission (NRC, the Commission) consent to the proposed indirect transfer of control of the facility operating license for Crystal River, to the extent held by FPC. The proposed indirect transfer of control of the license results from the planned corporate merger between Progress Energy, Inc. (Progress Energy) and Duke Energy Corporation (Duke Energy). Progress Energy is FPC's ultimate parent corporation. As part of the transaction, Progress Energy will merge with Diamond Acquisition Corporation, a wholly owned subsidiary of Duke Energy. Progress Energy will be the surviving entity and will become a wholly owned subsidiary of Duke Energy. Progress Energy will become an intermediate parent corporation of FPC.

FPC is the sole operator of Crystal River. The proposed indirect transfer of control of the Crystal River license will not result in any change in the role of FPC as the licensed operator and owner of the licensed facilities and will not result in any changes to its financial qualifications, decommissioning funding assurance, or technical qualifications. FPC will retain the requisite qualifications to own and operate the licensed facility. The other nine owners are not involved in the proposed transaction and will continue to own the same percentages of ownership in Crystal River as before the transaction.

Approval of the indirect transfer of the facility operating license was requested by FPC. A notice entitled, "Notice of Consideration of Approval of Application for Indirect License Transfers Resulting from the Proposed Merger Between Progress Energy, Inc. and Duke Energy Corporation, and Opportunity for Hearing," was published in the *Federal Register* on August 30, 2011 (76 FR 53972). No comments or hearing requests were received.

Pursuant to 10 CFR 50.80(a), no license, or any right thereunder, shall be transferred, directly or indirectly, through transfer of control of the license, unless the U.S. Nuclear Regulatory Commission (NRC) shall give its consent in writing. Upon review of the information in the licensee's application, and other information before the Commission, and relying on the representations in the application, the NRC staff has determined that the proposed indirect transfer of control of the Crystal River license to the extent held by FPC, to the extent affected by the proposed corporate merger between Progress Energy and Duke Energy, will not affect the qualifications of FPC as holder of the Crystal River facility operating license, and is otherwise consistent with the applicable provisions of law, regulations, and orders issued by the NRC, pursuant thereto. The findings set forth above are supported by a safety evaluation dated December 2, 2011.

III.

Accordingly, pursuant to Sections 161b, 161i, 161o, and 184 of the Atomic Energy Act of 1954, as amended (42 USC Sections 2201(b), 2201(i), 2201(o), and 2234, respectively); and 10 CFR 50.80, IT IS HEREBY ORDERED that the application regarding the proposed indirect license transfer related to the proposed merger is approved.

IT IS FURTHER ORDERED that after receipt of all required regulatory approvals associated with the proposed indirect transfer action, FPC shall inform the Director of the Office of Nuclear Reactor Regulation in writing of the date of the closing of the corporate merger of Progress Energy and Duke Energy. Should the indirect transfer of control of the licenses not be completed by December 2, 2012, this Order shall become null and void, provided, however, upon written application and good cause shown, such date may be extended by order of the Commission.

This Order is effective upon issuance.

For further details with respect to this Order, see the initial application dated March 30, 2011, as supplemented by letter dated September 2, 2011, and the Safety Evaluation dated December 2, 2011, which are available for public inspection at the Commission's Public Document Room (PDR), located at One White Flint North, Public File Area 01 F21, 11555 Rockville Pike, Rockville, Maryland. Publicly available documents created or received at the NRC are accessible electronically through ADAMS at <http://www.nrc.gov/reading-rm/adams.html>. Persons who do not have access to ADAMS or who encounter problems in accessing the documents located in ADAMS, should contact the NRC PDR reference staff by telephone at 1-800-397-4209, or 301-415-4737, or by e-mail to pdr.resource@nrc.gov.

Dated at Rockville, Maryland this 2nd day of December 2011.

FOR THE NUCLEAR REGULATORY COMMISSION

/RA/

Michele G. Evans, Director
Division of Operating Reactor Licensing
Office of Nuclear Reactor Regulation